The Dun & Bradstreet Corporation

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Current Economic Indicators

Prepared by the Economic Analysis Department

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News

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NEW BUSINESS INCORPORATIONS INCREASE TO RECORD LEVEL FOR THIRD STRAIGHT YEAR

5.3 PERCENT GAIN TO 668,904 REFLECTS CONTINUED STRENGTH OF U.S. ENTREPRENEURIAL ACTIVITY

NEW YORK, Feb. 27--New business incorporations in 1985 reached a record level for the third consecutive year, increasing 5.3 percent to 668,904 from 634,991 in 1984, according to The Dun & Bradstreet Corporation.

"The record number of new incorporations in 1985 reflects the high level of entrepreneurial activity that has driven the current economic recovery and expansion in the U.S.," said Joseph W. Duncan, corporate economist and chief statistician of The Dun & Bradstreet Corporation. "Moreover, the overall pattern of growth in recent months has remained strong, indicating that we have a good head of steam going into 1986."

In December, new incorporations increased by 11.8 percent to 57,958 from 51,844 in December 1984, according to the latest D&B data.

Eight of the country's nine U.S. Bureau of the Census regions reported year-to-year increases in new incorporations for 1985. The New England, East South Central and Middle Atlantic states, with respective increases of 18.5 percent, 7.4 percent and 7.2 percent, experienced the largest increases. The only region to report a decrease was the West North Central, which was down 0.8 percent.

Month of December

Compared with year-ago levels, eight of the nine U.S. Bureau of the Census regions registered increases in December. The largest increases occurred in the New England, East South Central and South Atlantic states, which increased 40.9 percent, 24.6 percent and 19.6 percent, respectively. The East North Central region, down 0.3 percent, was the only one to report a decrease in new incorporations.

Thirty-five states registered increases of 10 percent or more from the comparable 1984 period, including Connecticut, South Carolina and Oklahoma, where new incorporations were significantly higher, increasing 102.8 percent, 63.3 percent and 53.7 percent, respectively.

Of the seven states reporting annual decreases in new incorporations, four were down more than 10 percent. The largest decreases were reported in Alaska, down 30.5 percent to 114 from 164; Washington, D.C., down 18.7 percent to 187 from 230; and Illinois, down 15.8 percent to 2,874 from 3,415.

Florida reported the largest number of new incorporations in the month of December with 6,446, followed by New York with 5,912 and California with 5,143. Compared with December 1984 levels, Florida, New York and California registered increases of 16.8 percent, 6.8 percent and 5.8 percent, respectively.

On a seasonally-adjusted basis, 57,785 new incorporations were recorded in December 1985, an increase of 0.8 percent from the previous month and 7.9 percent more than the 53,558 reported in December 1984.

The Dun & Bradstreet Corporation is the world's largest producer and marketer of business information and related services, with worldwide operating revenues of nearly $2.8 billion in 1985.

(See Attached Tables for Data on Individual States)

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NEW BUSINESS INCORPORATIONS BY STATES AND GEOGRAPHIC REGIONS
(Not Seasonally Adjusted)

	Dec. 1985	Nov. 1985	% Change Nov. 1985 Dec. 1985	Dec. 1984	% Change Dec. 1984 Dec. 1985	--Total Twelve Months- 1985	1984	% Change 12 Months '84-'85
NEW ENGLAND	3,861	3,418	13.0	2,740	40.9	37,943	32,027	18.5
Maine	241	216	11.6	202	19.3	2,595	2,231	16.3
New Hampshire	362	290	24.8	239	51.5	3,542	2,754	28.6
Vermont	174	129	34.9	153	13.7	1,743	1,940	-10.2
Massachusetts	1,471	1,165	26.3	1,274	15.5	15,801	14,159	11.6
Connecticut	1,322	1,412	-6.4	652	102.8	11,208	8,116	38.1
Rhode Island	291	206	41.3	220	32.3	3,054	2,827	8.0
MIDDLE ATLANTIC	9,890 R	9,485	4.3	9,509	4.0	120,289 R	112,162	7.2
New York	5,912	5,731	3.2	5,535	6.8	72,083	68,626	5.0
New Jersey	2,428 R	2,319	4.7	2,766	-12.2	30,458 R	27,646	10.2
Pennsylvania	1,550	1,386	11.8	1,208	28.3	17,748	15,890	11.7
EAST NORTH CENTRAL	7,623	7,159	6.4	7,653	-0.3	90,084	84,659	6.4
Ohio	1,321	1,361	-2.9	1,164	13.5	17,173	16,294	5.4
Indiana	1,009	743	35.8	881	14.5	9,916	9,367	5.9
Illinois	2,874	2,879	-0.2	3,415	-15.8	34,691	32,948	5.3
Michigan	1,908	1,683	13.4	1,662	14.8	21,864	19,474	12.3
Wisconsin	516	503	2.6	531	-2.8	6,440	6,576	-2.1
WEST NORTH CENTRAL	3,056	2,317	31.9	2,709	12.8	32,661	32,931 E	-0.8
Minnesota	940	672	39.9	819	14.8	9,209	9,119	1.0
Iowa	350	299	17.1	294	19.0	4,097	3,988 E	2.7
Missouri	887	739	20.0	841	5.5	10,176	10,021	1.5
North Dakota	103	66	56.1	78	32.1	866	1,014	-14.6
South Dakota	84	71	18.3	85	-1.2	944	971	-2.8
Nebraska	218	176	23.9	218	0.0	2,617	2,683	-2.5
Kansas	474	294	61.2	374	26.7	4,752	5,135	-7.5
SOUTH ATLANTIC	15,112 E	12,133 ER	24.6	12,640 E	19.6	168,329 E	157,723 E	6.7
Maryland	1,013	1,303	-22.3	759	33.5	14,239	11,176	27.4
Delaware	2,705	2,091	29.4	2,136	26.6	26,606	25,886	2.9
Washington, DC	187 E	187 E	0.0	230 E	-18.7	2,199 E	2,055 E	7.0
Virginia	1,310	1,161	12.8	1,131	15.8	15,017	14,621	2.7
West Virginia	228	180	26.7	171	33.3	2,465	2,466 R	-0.1
North Carolina	1,129	874	29.2	1,022	10.5	11,796	11,174	5.6
South Carolina	485	382 R	26.8	287	69.0	7,072	5,681	24.5
Georgia	1,609	891	80.6	1,374	17.1	17,295	17,722	-2.5
Florida	6,446	5,063	27.3	5,530	16.8	71,649	68,922	6.7

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(Not Seasonally Adjusted)

	Dec. 1985	Nov. 1985	% Change Nov. 1985 Dec. 1985	Dec. 1984	% Change Dec. 1984 Dec. 1985	--Total Twelve Months- 1985	1984	% Change 12 Months '84-'85
EAST SOUTH CENTRAL	2,095 E	1,976 E	6.0	1,681	24.6	25,908	24,123	7.4
Kentucky	681	604	12.7	553	23.1	7,886	7,450	5.9
Tennessee	741	698	6.2	560	32.3	8,723	7,731	12.8
Alabama	415	419	-1.0	379	9.5	6,139	6,000	2.3
Mississippi	258 E	255 E	1.2	189	36.5	-3,160	2,942	7.4
WEST SOUTH CENTRAL	5,367 R	4,451 R	20.6	4,802	11.8	64,445 ER	62,719 E	2.8
Arkansas	432	307	40.7	352	22.7	5,272	4,876	8.1
Oklahoma	584 R	523 R	11.7	380	53.7	6,399 R	5,465 E	17.1
Louisiana	774	677 R	14.3	654	18.3	11,404 R	9,333	22.2
Texas	3,577	2,944	21.5	3,416	4.7	41,370	43,045	-3.9
MOUNTAIN	3,900	3,656	6.7	3,520	10.8	46,413	46,308	0.2
Montana	133	92	44.6	120	10.8	1,403	1,550	-9.7
Idaho	142	126	12.7	119	19.3	1,636	1,716	-4.7
Wyoming	87	68	27.9	72	20.8	1,031	1,069	-3.6
Colorado	1,096	1,163	-5.8	1,002	9.4	14,171	14,160	0.1
New Mexico	233	264	-11.7	245	-4.9	2,843	2,878	-1.2
Arizona	1,039	1,051	-1.1	885	17.4	12,922	12,102	6.8
Utah	342	271	26.2	332	3.0	3,717	4,032	-7.8
Nevada	828	621	33.3	745	11.1	8,685	8,791	-1.2
PACIFIC	7,049	6,410	10.0	6,590	7.0	82,832	82,339	0.6
Alaska	114	123	-7.3	164	-30.5	2,132	2,533	-15.8
Washington	896	633	41.5	773	15.9	9,379	9,251	1.4
Oregon	666	518	28.6	570	16.8	7,161	6,828	4.9
California	5,143	4,912	4.7	4,863	5.8	61,160	60,952	0.3
Hawaii	230	224	2.7	220	4.5	3,000	2,775	8.1
TOTAL U. S. (unadjusted)	57,958 ER	51,015 ER	13.6	51,844 E	11.8	668,904 ER	634,991 ER	5.3
TOTAL U.S. (seasonally adjusted)	57,785 P-R	57,320 P-R	0.8	53,558 P-R	7.9			

E = Estimated
P = Preliminary
R = Revised - Seas.Adj. revised 2-19-86.

Source: Economic Analysis Department, The Dun & Bradstreet Corporation.
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